

CHAPTER 123

HEALTH CARE POLICY AND FINANCING

SENATE BILL 07-133

BY SENATOR(S) Tapia, Keller, and Johnson;
also REPRESENTATIVE(S) Buescher, Pommer, White, and Butcher.

AN ACT

CONCERNING THE CASH SYSTEM OF ACCOUNTING FOR CERTAIN PROGRAMS IN THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, AND MAKING AN APPROPRIATION THEREFOR.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 25.5-2-101, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

25.5-2-101. Old age pension health and medical care fund - supplemental old age pension health and medical care fund - cash system of accounting. (4) THE STATE DEPARTMENT SHALL UTILIZE THE CASH SYSTEM OF ACCOUNTING, AS ENUNCIATED BY THE GOVERNMENTAL ACCOUNTING STANDARDS BOARD, REGARDLESS OF THE SOURCE OF REVENUES INVOLVED, FOR ALL ACTIVITIES OF THE STATE DEPARTMENT RELATING TO THE FINANCIAL ADMINISTRATION OF ANY NONADMINISTRATIVE EXPENDITURE FOR THE HEALTH AND MEDICAL CARE PROGRAMS DESCRIBED IN SUBSECTIONS (2) AND (3) OF THIS SECTION.

SECTION 2. 25.5-4-201, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

25.5-4-201. Cash system of accounting - financial administration of medical services premiums - medical programs administered by department of human services - federal contributions - rules. (1.5) THE STATE DEPARTMENT SHALL UTILIZE THE CASH SYSTEM OF ACCOUNTING, AS ENUNCIATED BY THE GOVERNMENTAL ACCOUNTING STANDARDS BOARD, FOR THE CONTRIBUTIONS REQUIRED BY 42 U.S.C. SEC. 1396u-5 (c).

SECTION 3. 25.5-8-108, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

25.5-8-108. Financial management - cash system of accounting. (5) THE DEPARTMENT SHALL UTILIZE THE CASH SYSTEM OF ACCOUNTING, AS ENUNCIATED BY THE GOVERNMENTAL ACCOUNTING STANDARDS BOARD, REGARDLESS OF THE SOURCE OF REVENUES INVOLVED, FOR ALL ACTIVITIES OF THE DEPARTMENT RELATING TO THE FINANCIAL ADMINISTRATION OF ANY NONADMINISTRATIVE EXPENDITURE FOR THE PLAN.

SECTION 4. 24-75-201 (2) (a) (II), Colorado Revised Statutes, is amended to read:

24-75-201. General fund - general fund surplus - custodial moneys. (2) (a) The general fund surplus shall be determined based upon the accrual system of accounting, as enunciated by the governmental accounting standards board; except that:

(II) General fund revenues shall be restricted only upon the issuance of a commitment voucher to the state controller by the department of health care policy and financing for the payment of a sufficient claim that warrants reimbursement in accordance with the "Colorado Medical Assistance Act", articles 4, 5, and 6 of title 25.5, C.R.S., from general fund revenues appropriated for any nonadministrative expenditure that qualifies for federal financial participation under Title XIX of the federal "Social Security Act", except for expenditures under the program for the medically indigent, article 3 of title 25.5, C.R.S., OR FOR THE CONTRIBUTIONS REQUIRED BY 42 U.S.C. SEC. 1396u-5 (c).

SECTION 5. Appropriation - adjustment to the 2007 long bill. (1) For the implementation of this act, appropriations made in the annual general appropriation act to the department of health care policy and financing, for the fiscal year beginning July 1, 2007, shall be adjusted as follows:

(a) The appropriation to the indigent care program division, for the children's basic health plan premiums costs, is decreased by three million eight hundred sixty-five thousand three hundred ninety-six dollars (\$3,865,396). Of said sum, one million three hundred fifty-two thousand eight hundred eighty-nine dollars (\$1,352,889) shall be cash funds exempt from the children's basic health plan trust created in section 25.5-8-105 (1), Colorado Revised Statutes, and two million five hundred twelve thousand five hundred seven dollars (\$2,512,507) shall be from federal funds.

(b) The appropriation to the indigent care program division, for the children's basic health plan dental benefit costs, is decreased by two hundred twenty-two thousand eight hundred forty-seven dollars (\$222,847). Of said sum, seventy-seven thousand nine hundred ninety-six dollars (\$77,996) shall be cash funds exempt from the children's basic health plan trust created in section 25.5-8-105 (1), Colorado Revised Statutes, and one hundred forty-four thousand eight hundred fifty-one dollars (\$144,851) shall be from federal funds.

(c) The cash funds exempt appropriation to the other medical services division, for services for old age pension state medical program clients, is decreased by six hundred eighty thousand seven hundred seventy-nine dollars (\$680,779). Said sum

shall be from the supplemental old age pension health and medical care fund created in section 25.5-2-101 (3), Colorado Revised Statutes.

(d) The general fund appropriation to the other medical services division, for the Medicare modernization act of 2003 state contribution payment, is decreased by seven million one hundred seventy-three thousand three hundred sixty-eight dollars (\$7,173,368).

SECTION 6. Effective date. This act shall take effect July 1, 2007.

SECTION 7. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: April 11, 2007